

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2001**

<b>ASSETS</b>	<b>Forestville</b>	<b>Occidental</b>	<b>Russian River</b>	<b>Sonoma Valley</b>	<b>South Park</b>	<b>Eliminations</b>	<b>Total</b>
Current assets:							
Cash and investments	\$ 671,924	\$ 216,396	\$ 1,197,210	\$ 7,843,763	\$ 3,451,439	\$	\$ 13,380,732
Receivables (net of allowance for uncollectibles):							
Accounts	2,638						2,638
Interest and other	1,279	2,602	322,973	466,079	64,607		857,540
Note receivable - interfund					4,634	(4,634)	0
Total current assets	<u>675,841</u>	<u>218,998</u>	<u>1,520,183</u>	<u>8,309,842</u>	<u>3,520,680</u>	<u>(4,634)</u>	<u>14,240,910</u>
Restricted cash and investments:							
Customer deposits				1,182,038			1,182,038
Cash - general obligation bond fund		6,214	261,992	4,951			273,157
Cash - revenue bond fund			250,527	52,527	8,109		311,163
Cash - revenue bond reserve fund			122,027				122,027
Cash with trustee	<u>134,113</u>			<u>8,242,880</u>	<u>2,492,060</u>		<u>10,869,053</u>
Total restricted assets	<u>134,113</u>	<u>6,214</u>	<u>634,546</u>	<u>9,482,396</u>	<u>2,500,169</u>	<u>0</u>	<u>12,757,438</u>
Other assets:							
Note receivable - interfund, non-current					14,886	(14,886)	0
Debt issuance costs	<u>30,731</u>			<u>324,013</u>	<u>132,771</u>		<u>487,515</u>
Total other assets	<u>30,731</u>	<u>0</u>	<u>0</u>	<u>324,013</u>	<u>147,657</u>	<u>(14,886)</u>	<u>487,515</u>
Fixed assets:							
Land and land rights	356,384		223,833	3,066,932			3,647,149
Buildings and improvements	2,420,526	853,406	37,697,992	59,892,551	4,133,788		104,998,263
Machinery and equipment				290,510			290,510
Accumulated depreciation	(590,385)	(439,047)	(11,880,926)	(17,765,662)	(2,226,578)		(32,902,598)
Construction in progress	<u>669,965</u>	<u>371,414</u>	<u>732,381</u>	<u>4,763,236</u>	<u>2,271,053</u>		<u>8,808,049</u>
Fixed assets, net of accumulated depreciation	<u>2,856,490</u>	<u>785,773</u>	<u>26,773,280</u>	<u>50,247,567</u>	<u>4,178,263</u>	<u>0</u>	<u>84,841,373</u>
Total assets	<u>\$ 3,697,175</u>	<u>\$ 1,010,985</u>	<u>\$ 28,928,009</u>	<u>\$ 28,928,009</u>	<u>\$ 68,363,818</u>	<u>\$ (19,520)</u>	<u>\$112,327,236</u>

The notes to the financial statements are an integral part of this statement.

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING BALANCE SHEET**  
**JUNE 30, 2001**

<b>LIABILITIES AND EQUITY</b>	<u>Forestville</u>	<u>Occidental</u>	<u>Russian River</u>	<u>Sonoma Valley</u>	<u>South Park</u>	<u>Eliminations</u>	<u>Total</u>
<b>Current liabilities:</b>							
Accounts payable and accrued expenses	\$ 7,356	\$ 1,226	\$ 119,767	\$ 444,657	\$ 400,632	\$	\$ 973,638
Interest payable	27,198						27,198
Due to other governments		20,000	66,000	34,361	100,000		220,361
Capital leases payable	51,492						51,492
Notes payable - interfund		4,634				(4,634)	0
Total current liabilities	<u>86,046</u>	<u>25,860</u>	<u>185,767</u>	<u>479,018</u>	<u>500,632</u>	<u>(4,634)</u>	<u>1,272,689</u>
<b>Current liabilities payable from restricted assets:</b>							
Deposits from others				1,182,038			1,182,038
Interest payable			18,000	414,113	46,277		478,390
General obligation bonds payable		1,000					1,000
Revenue bonds payable			45,000	525,000	75,000		645,000
Total current liabilities payable from restricted assets	<u>0</u>	<u>1,000</u>	<u>63,000</u>	<u>2,121,151</u>	<u>121,277</u>	<u>0</u>	<u>2,306,428</u>
<b>Long-term liabilities:</b>							
Advances from other governments	363,000	270,000	416,153	540,944	300,000		1,890,097
General obligation bonds payable		7,000	1,935,000	181,000			2,123,000
Revenue bonds payable			1,395,000	19,514,976	3,466,950		24,376,926
Capital leases payable	1,203,807						1,203,807
Interest payable		17,391					17,391
Notes payable - interfund		14,886				(14,886)	0
Total long-term liabilities	<u>1,566,807</u>	<u>309,277</u>	<u>3,746,153</u>	<u>20,236,920</u>	<u>3,766,950</u>	<u>(14,886)</u>	<u>29,611,221</u>
Total liabilities	<u>1,652,853</u>	<u>336,137</u>	<u>3,994,920</u>	<u>22,837,089</u>	<u>4,388,859</u>	<u>(19,520)</u>	<u>33,190,338</u>
<b>Equity:</b>							
Contributed capital	<u>1,143,275</u>	<u>837,823</u>	<u>29,513,593</u>	<u>23,216,074</u>	<u>2,395,358</u>		<u>57,106,123</u>
Retained earnings:							
Reserved for debt service	135,002		121,250				256,252
Unreserved	766,045	(162,975)	(4,701,754)	22,310,655	3,562,552		21,774,523
Total retained earnings (deficit)	<u>901,047</u>	<u>(162,975)</u>	<u>(4,580,504)</u>	<u>22,310,655</u>	<u>3,562,552</u>	<u>0</u>	<u>22,030,775</u>
Total equity	<u>2,044,322</u>	<u>674,848</u>	<u>24,933,089</u>	<u>45,526,729</u>	<u>5,957,910</u>	<u>0</u>	<u>79,136,898</u>
Total liabilities and equity	<u>\$ 3,697,175</u>	<u>\$ 1,010,985</u>	<u>\$ 28,928,009</u>	<u>\$ 68,363,818</u>	<u>\$ 10,346,769</u>	<u>\$ (19,520)</u>	<u>\$ 112,327,236</u>

The notes to the financial statements are an integral part of this statement

**SONOMA COUNTY SANITATION DISTRICTS**  
**ENTERPRISE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS**  
**FOR THE YEAR ENDED JUNE 30, 2001**

	<u>Forestville</u>	<u>Occidental</u>	<u>Russian River</u>	<u>Sonoma Valley</u>	<u>South Park</u>	<u>Total</u>
Operating revenues:						
Flat charges	\$ 221,801	\$ 203,313	\$ 2,059,002	\$ 5,275,370	\$ 1,920,890	\$ 9,680,376
Charges for services	122,200	17,668	23,385	688,822	50,476	902,551
Other					51,670	51,670
Total operating revenues	<u>344,001</u>	<u>220,981</u>	<u>2,082,387</u>	<u>5,964,192</u>	<u>2,023,036</u>	<u>10,634,597</u>
Operating expenses:						
Services and supplies	229,365	314,501	1,218,910	4,723,861	1,272,971	7,759,608
Environmental investigation					629,689	629,689
Depreciation	<u>72,393</u>	<u>22,835</u>	<u>823,243</u>	<u>1,341,439</u>	<u>83,048</u>	<u>2,342,958</u>
Total operating expenses	<u>301,758</u>	<u>337,336</u>	<u>2,042,153</u>	<u>6,065,300</u>	<u>1,985,708</u>	<u>10,732,255</u>
Operating income (loss)	<u>42,243</u>	<u>(116,355)</u>	<u>40,234</u>	<u>(101,108)</u>	<u>37,328</u>	<u>(97,658)</u>
Nonoperating revenues (expenses)						
Interest revenue	35,272	15,731	131,721	1,239,248	415,991	1,837,963
Taxes		1,123	109,669	14,514		125,306
Intergovernmental	435,022	(584)		261		434,699
Interest expense	<u>(55,732)</u>	<u>(12,733)</u>	<u>(91,817)</u>	<u>(343,408)</u>	<u>(119,756)</u>	<u>(623,446)</u>
Total nonoperating revenues (expenses)	<u>414,562</u>	<u>3,537</u>	<u>149,573</u>	<u>910,615</u>	<u>296,235</u>	<u>1,774,522</u>
Net income (loss)	456,805	(112,818)	189,807	809,507	333,563	1,676,864
Add back: depreciation on contributed fixed assets	<u>31,679</u>	<u>22,835</u>	<u>823,243</u>	<u>929,215</u>	<u>67,435</u>	<u>1,874,407</u>
Increase (decrease) in retained earnings	488,484	(89,983)	1,013,050	1,738,722	400,998	3,551,271
Retained earnings (deficit), beginning of the year	<u>412,563</u>	<u>(72,992)</u>	<u>(5,593,554)</u>	<u>20,571,933</u>	<u>3,161,554</u>	<u>18,479,504</u>
Retained earnings (deficit), end of year	<u>\$ 901,047</u>	<u>\$ (162,975)</u>	<u>\$ (4,580,504)</u>	<u>\$ 22,310,655</u>	<u>\$ 3,562,552</u>	<u>\$ 22,030,775</u>

The notes to the financial statements are an integral part of this statement.

**SONOMA COUNTY SANITATION DISTRICTS  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2001**

	<u>Forestville</u>	<u>Occidental</u>	<u>Russian River</u>	<u>Sonoma Valley</u>	<u>South Park</u>	<u>Eliminations</u>	<u>Total</u>
Cash flows from operating activities:							
Operating income (loss)	\$ 42,243	\$ (116,355)	\$ 40,234	\$ (101,108)	\$ 37,328	\$	\$ (97,658)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation expense	72,393	22,835	832,243	1,341,439	83,048		2,342,958
Changes in assets and liabilities:							
Decrease (increase) in accounts receivable	181			65,146	100		65,427
Decrease (increase) in other receivables	2,599	(474)	(34,609)	5,007	(6,025)		(33,502)
Decrease (increase) in other assets	2,049						2,049
Increase (decrease) in accounts payable and accrued expenses	(3,690)	(5,224)	13,182	64,838	34,511		103,617
Increase (decrease) in customer deposits				238,095			238,095
Net cash provided (used) by operating activities	<u>115,775</u>	<u>(99,218)</u>	<u>842,050</u>	<u>1,613,417</u>	<u>148,962</u>	<u>0</u>	<u>2,620,986</u>
Cash flows from noncapital financing activities:							
Taxes received		1,123	109,669	14,514			125,306
Principal payments - notes		(24,331)				4,332	(19,999)
Principal received - notes					4,332	(4,332)	0
Intergovernmental revenue (expenses)	<u>435,022</u>	<u>(584)</u>		<u>261</u>			<u>434,699</u>
Net cash provided (used) by noncapital financing activities	<u>435,022</u>	<u>(23,792)</u>	<u>109,669</u>	<u>14,775</u>	<u>4,332</u>	<u>0</u>	<u>540,006</u>

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**SONOMA COUNTY SANITATION DISTRICTS  
ENTERPRISE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2001  
(Continued)**

	<u>Forestville</u>	<u>Occidental</u>	<u>Russian River</u>	<u>Sonoma Valley</u>	<u>South Park</u>	<u>Eliminations</u>	<u>Total</u>
Cash flows from capital and related financing activities:							
Acquisition of fixed assets	(855,400)	(14,670)	(396,830)	(8,221,944)	(1,606,765)		(11,095,609)
Payments to Environmental Protection Agency				(33,456)			(33,456)
Principal received - bonds					3,541,949		3,541,949
Principal payments - bonds		(1,000)	(115,000)	(508,000)			(624,000)
Principal payments - capital leases	(48,301)						(48,301)
Principal payments - advances from other funds			(66,000)		(100,000)		(166,000)
Interest paid on debt	(76,153)		(92,379)	(321,296)	(206,250)		(696,078)
Capital contributed by other funds		96,500					96,500
Capital contributed by developers	<u>572,854</u>	<u>2,120</u>	<u>53,696</u>	<u>1,276,789</u>	<u>175,337</u>		<u>2,080,796</u>
Net cash provided (used) by capital and related financing activities	<u>(407,000)</u>	<u>82,950</u>	<u>(616,513)</u>	<u>(7,807,907)</u>	<u>1,804,271</u>	<u>0</u>	<u>(6,944,199)</u>
Cash flows from investing activities:							
Interest received on pooled cash and investments	<u>35,272</u>	<u>15,731</u>	<u>131,721</u>	<u>1,239,248</u>	<u>415,991</u>	<u>0</u>	<u>1,837,963</u>
Net increase (decrease) in cash and cash equivalents	179,069	(24,329)	466,927	(4,940,467)	2,373,556		(1,945,244)
Cash and cash equivalents, beginning of year	<u>626,968</u>	<u>246,939</u>	<u>1,364,829</u>	<u>22,266,626</u>	<u>3,578,052</u>		<u>28,083,414</u>
Cash and cash equivalents, end of year	<u>\$ 806,037</u>	<u>\$ 222,610</u>	<u>\$ 1,831,756</u>	<u>\$ 17,326,159</u>	<u>\$ 5,951,608</u>	<u>\$ 0</u>	<u>\$ 26,138,170</u>
Noncash Investing, Capital and Financing Activities:							
Acquisition of fixed assets on account			\$ 78,960	\$ (1,616,035)	\$ 171,256		\$ (1,365,819)

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